

**Testimony of
Steve Sanders
Administrator, Division of Child Development and Family Services, Kern County
Superintendent of Schools
On
HHS05 Improving Protection for Children Receiving Child Care From Unlicensed
Providers**

Thank you for the opportunity to comment today on the CPR Recommendation HHS05: "Improving Protection for Children Receiving Child Care From Unlicensed Providers". I am Steve Sanders, Administrator for the Division of Child Development and Family Services in the Kern County Superintendent of Schools Office.

I want to begin by expressing appreciation and support for the work of the Performance Review Team in highlighting the current lack of adequate protection for children receiving care from unlicensed, state subsidized child care providers.

The California Performance Review accurately lays out the following essential facts:

1. Under California's welfare-to-work program (commonly known as CalWORKs) eligible families receive state assistance with paid child care while they are working or participating in CalWORKs activities.
2. Under the current voucher system, families have the option of choosing from a range of child care providers. These options run from licensed child development centers operated by education agencies and community-based organizations to unlicensed (or license-exempt) child care providers who are either relatives or individuals taking care of their children and one other family's children in the child's or provider's home.
3. To protect children, the law requires child care providers, including non-relative license-exempt providers, who wish to receive payments for subsidized child care under the CalWORKs program to pass a criminal and child abuse background check.
4. Unfortunately, a loophole in the law uncovered by the California Performance Review Team, allows a license-exempt provider to care for children and receive payments from the state while their background check is being completed; a process that can take a year to complete.
5. In conducting their review, the CPR Health and Human Services Team discovered the following:
 - Sixty-two percent of CalWORKs recipients in the initial stage of participation choose license-exempt care.
 - In 2003, 12% or 2,890 child care providers were ultimately denied clearance to care for children due to prior criminal or child abuse records. Because of the loophole in current law, all of these individuals were allowed to care for children and received child care payments from the state for between two months to a year.

On behalf of Dr. Larry Reider, the Kern County Superintendent of Schools, I want to

communicate strong objection to this loophole in current law that allows for payment subsidies to child care providers who have not passed criminal background and child abuse clearance checks. This practice unnecessarily endangers children in the care of some of these "providers", and is not what the Legislature intended in enacting the CalWORKs program.

In Kern County, the data regarding payments to license-exempt provider applicants, ultimately determined to be ineligible, mirrors the statewide data uncovered by the Performance Review Team.

The Kern County Superintendent of Schools, through a contract with the Kern County Department of Human Services, processes payments to CalWORKs child care providers. Between January 1, 1998 and December 8, 2003, 5,696 individuals applied to become family child care providers eligible to receive payments under the CalWORKs program. 650 (or 12%) of those individuals were ultimately denied eligibility as a result of prior criminal or child abuse history. Consistent with the statewide data discovered by the California Performance Review Team, there are Kern County cases in which a denial report from the Department of Justice was not received until more than one year from the date of application. Records kept by the Superintendent of Schools Office indicate that this has resulted in the release of child care provider payments totaling \$2,829,832 to people who were ultimately deemed ineligible to receive such payments.

The safety of children in Kern County and throughout California would be best served by withholding payment until a provider achieves registered trustline child care provider status, demonstrating the required lack of a criminal history. Amendments to Health and Safety Code Sections 1596.66 and 1596.67 and Welfare and Institutions Code Section 11324(c) would accomplish this objective.

This is not only the best policy to protect children; it can be done without limiting access to child care services needed by poor families. The California Performance Review Health and Human Services Team also determined through interviews with Department of Justice staff that 85% of all child care applicants have no criminal history and that their fingerprints are cleared by the Department of Justice in one-to-three days. Based upon the 12% statewide clearance denial rate, only 3% of all applicants who are ultimately deemed eligible require more than 3 days to be cleared. This is a small price to pay for a policy reform which will help insure that the State of California is not compensating people with a prior criminal or child abuse history to care for our most vulnerable children.

Again, thanks to the California Performance Review Team for "sunshining" this issue. It is our sincere hope that Governor Schwarzenegger will make it a priority to see that this loophole that compromises the safety of children is closed as soon as possible. Thank you for attention.